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## **COMUNICACIÓN DE HECHO RELEVANTE**

### **CM BANCAJA 1, FONDO DE TITULIZACIÓN DE ACTIVOS Bajada de Calificación Fitch a Bancaja**

Titulización de Activos, Sociedad Gestora de Fondos de Titulización, S.A. comunica el siguiente Hecho Relevante:

- I. Respecto al Fondo arriba mencionado y de acuerdo con la información publicada por Fitch Ratings el día 18 de diciembre de 2008, el rating de la entidad Caja de Ahorros de Valencia Castellón y Alicante, ha sido rebajado a largo plazo de A a A-, y el rating a corto plazo ha sido rebajado de F1 a F2. Este hecho afecta a las actuaciones a realizar por Caja de Ahorros de Valencia Castellón y Alicante, al ser la contrapartida en el Contrato de Agencia de Pagos. Por lo tanto, y al objeto de mantener la calificación de los bonos emitidos por el Fondo, se iniciarán los procesos necesarios de acuerdo a los criterios de la agencia de calificación.
- II. Respecto a la Cuenta de Tesorería, como ya se informó en el Hecho Relevante publicado con fecha 24 de noviembre de 2008, se procedió a trasladar dicha cuenta a Banco Popular.
- III. Adjuntamos nota de prensa de Fitch, por la que se comunican a esta Sociedad Gestora la bajada de calificación de la mencionada entidad.

En Madrid a 22 de diciembre de 2008

Ramón Pérez Hernández  
Director General

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## **Fitch Downgrades Bancaja's IDR to 'A-' and Individual Rating to 'B/C'; Outlook Stable**

**Stable** [Ratings](#)  
19 Dec 2008 8:17 AM (EST)

Fitch Ratings-Barcelona/London-19 December 2008: Fitch Ratings has today downgraded Caja de Ahorros de Valencia Castellon y Alicante's (Bancaja) Long-term Issuer Default Rating (IDR) to 'A-' (A minus) from 'A', Short-term IDR to 'F2' from 'F1' and Individual rating to 'B/C' from 'B'. The Outlook for the Long-term IDR remains Stable. At the same time, Fitch has affirmed Bancaja's Support rating at '3' and Support Rating Floor at 'BB+'. Consequently Fitch has also downgraded Bancaja's senior debt to 'A-' (A minus) from 'A', subordinated debt to 'BBB+' from 'A-' (A minus) and preference shares to 'BBB' from 'BBB+'.

The rating actions reflect Bancaja's risk concentration to Spain's construction and real estate sectors (36% of lending at end-September 2008) and asset quality pressures this will pose in the context of an abrupt deterioration in the Spanish economy and housing market and rising unemployment. There has been acceleration in the number of corporate defaults and debt restructurings in Spanish real estate companies since the summer of 2008, which represents a challenge for Bancaja, as well as other Spanish banks, in terms of profitability and asset quality. Furthermore, the rating actions also reflect the fact that a large proportion of Bancaja's funding is obtained from the wholesale markets with large maturities until 2010 and a relatively tight capital base for its risk profile. Wholesale and interbank markets remain disrupted and there is strong competition for customer deposits in Spain. As such the caja will have to continue actively managing the refinancing of its short- to medium-term maturities. The funding pressures and the expected deterioration in asset quality are factored in its current ratings.

The Stable Outlook on the Long-term IDR reflects Bancaja's strong regional franchise and healthy pre-impairment operating profitability. This, together with a good cost/income ratio (49% in 9M08) and EUR0.9bn of generic reserves provides Bancaja with financial flexibility and should assist the caja in coping with the complex operating environment and higher loan impairment provisions. Risk concentration is somewhat mitigated by the pro-active management of its risk exposures and sound collateral levels. Its impaired to total loans ratio was 2.9% at end-September 2008 (66% loan loss coverage), although asset quality indicators will inevitably deteriorate further in 2009.

The bank is working to rebalance its funding structure and it is aiming to increase customer deposits. Regulatory capital ratios appear reasonable at a regulatory Tier 1 ratio of 7.5% at end-September 2008 but must be placed in the context of high risk concentration. Bancaja does have certain flexibility to improve this ratio, either by managing risk weighted assets or through potential unrealised capital gains.

Bancaja holds a controlling 38.4% stake in Banco de Valencia. Its activities are centred in the Autonomous Community of Valencia but expansion has led to 42% of the group's branches being situated outside Valencia. Its main activities are retail commercial banking.

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